

SECRET

cmm 2-19

31 August 1955

MEMORANDUM FOR: Office of General Counsel
ATTENTION : Mr. Walter L. Pforzheimer On file OMB release instructions apply.
SUBJECT : Proposed Amendment to the Foreign Service Act of 1946

1. The proposed amendment to Section 921 of the Foreign Service Act of 1946, relating to commissary and mess services abroad, is in agreement with current Agency policy on this subject as reflected in memorandum from the Comptroller to the Deputy Director (Support) dated 15 August 1955, subject: "Recommendations on the Establishment, Equipping, and Operation of Personal Service and Recreational Facilities at Field Installations." This memorandum was concurred in by the Director of Logistics, the Office of the General Counsel, the Special Support Assistant to the Deputy Director (Support), and was approved by the Deputy Director (Support).

2. It is not considered necessary that additional authority be obtained for this Agency to continue its activity in this field.

25X1A

Special Support Assistant
to the
Deputy Director (Support)

State Dept., OGC reviews completed. On file OMB release instructions apply.

SECRET

UNCLASSIFIED

Approved For Release 2004/03/31 : CIA-RDP59-00224A000200340001-6

SECRET

ROUTING AND RECORD SHEET

CPO 2-19

INSTRUCTIONS: Officer designations should be used in the "TO" column. Under each comment a line should be drawn across sheet and each comment numbered to correspond with the number in the "TO" column. Each officer should initial (check mark insufficient) before further routing. This Routing and Record Sheet should be returned to Registry.

285-1947

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| FROM: O/SSA-DD/S | | | | | TELEPHONE | NO. |
| TO | ROOM NO. | DATE | | OFFICER'S INITIALS | TELEPHONE | DATE |
| | | REC'D | FWD'D | | | 31 August 1955 |
| 1. O/GC | J-21 East | | | | | ATTN: Mr. Pforzheimer |
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Chenoweth

SEP 29 1955

Mr. Roger W. Jones
Assistant Director
for Legislative Reference
Bureau of the Budget
Washington 25, D.C.

Dear Mr. Jones:

This is to acknowledge receipt of your referral of 26 July 1955 of a proposed bill to amend Section 921 of the Foreign Service Act of 1946 relating to commissary and mess services.

It appears to this Agency that it would be preferable to extend the authorities contained in this proposal to the heads of all Government agencies which are faced with this problem under such regulations as the President or the Secretary of State may prescribe. This would be analogous to the authority to issue regulations for Government-wide allowances under Section 901 of the Foreign Service Act of 1946. The problem which CIA faces is not the utilization of commissary or mess services established by the Department of State for employees of the Foreign Service which can then be used by employees of other Government agencies, but rather the establishment of such facilities in those places where they would not be warranted for the Foreign Service.

Appropriate language in the proposed bill should eliminate the problem of facilities in territories and possessions as distinguished from foreign areas generally. This problem is of particular interest in the Far East, where American employees on Okinawa are entitled to certain benefits available to employees in foreign areas, whereas employees in the islands of the Trust Territories do not receive such benefits because the islands are territories of the United States. Because living conditions in some territories and possessions are more difficult and the cost of living higher than in many foreign countries, it is felt that these benefits should be extended alike to foreign areas and the territories and possessions.

If the State Department proposals were to be broadened, the following suggestions would appear to be worth considering:

1. The use of the term "commissary" should be adequately defined. Under the military services, the term carries a much more restrictive definition than is currently the case in the Foreign Service where a commissary contains much broader facilities than are usual in the military commissary.

2. It is felt that the State Department proposals do not provide clearly for the disposition of profits of employee-run commissaries or mess services. It is our understanding that the last sentence of the proposal is designed to refer only to Government-operated commissaries or mess services and that the profits from such services when operated by the employees may be disposed of as they elect. We feel that this should be made clear in the proposed legislation.

3. The proposed amendment provides that space, facilities, material, stocks, supplies, and equipment or services may be made available to employee-operated commissaries or mess services. It is our understanding that the intent of this provision is to allow the Department to obtain such things through official channels when it may be easier than going through private channels. However, it does not appear to be clear whether such facilities will be available free of charge or through advancement of funds by the Department, or whether it simply provides a better channel to secure such facilities although they are paid for by the employee-operated commissary or mess.

4. In view of the fact that the existence of employee-operated services will reduce Government expenditures and improve employee morale, it is recommended that consideration be given to broadening this proposed legislation to authorize advances of Government funds for the purpose of establishing such facilities with reimbursement to appropriations for the advances.

5. It is our understanding that at the present time the State Department allows the use of available space free of charge for employee run facilities, whereas if additional space must be rented the activity pays for it from its own funds. It would appear preferable if this procedure were confirmed by statute or a new procedure delineated in the proposed bill.

CIA would consider it helpful if legislation were enacted which could include the above suggestions. However, it interposes no

objections to the State Department proposals in and of themselves, although they would be of limited application to this Agency.

Sincerely yours,

Walter L. Pforzheimer
Legislative Counsel

CONCUR:

STATINTL

Acting Deputy Director/Support

STATINTL

Comptroller

STATINTL

Special Support Assistant
to the Deputy Director/
Support

STATINTL

General Counsel

OGC:WLP:pmm (26Sept55)

Org & 1 - Addressee

✓ 2 - Signer

✗ 1 - DDS

1 - Comptroller

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|---|-------|------------------------------------|-----------|
| SECTION II | | COMMENTS (From Original Addressee) | HERE |
| TO : LEGISLATIVE COUNSEL OFFICE OF GENERAL COUNSEL | FROM: | <i>J. W. O'Byrne 1-2</i> | <i>PC</i> |
| Office of General Counsel | | | |

Several changes have been made in this bill since its submission. One of these changes is of interest to us. In Sec. 941 (b) providing for dependents' medical care the language has been changed to read "which requires hospitalization or similar treatment . . ." (Emphasis supplied). On page 9 of our analysis of the CIA Bill it is explained that medical care will be provided for illnesses ordinarily requiring hospitalization though the patient is not hospitalized since in many areas hospital facilities are unavailable or unsuitable. This same explanation was used by the Department of State; however, it seems that it was considered wise to make the liberalization specific in the terms of the law. We might consider making this change in what will appear as 5(d)(2)(b) of our Bill as amended.

S. 3481 w/S/Rept 1726

Comments to the Foreign Assistance Act

STATINTL

gk

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| TYPE OF COMMENTS 26 April 1956 | | OFFICE OF GENERAL COUNSEL |
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FORM NO. 488 REPLACES FORM 23-3
1 FEB 55 WHICH MAY BE USED.

(38)

STATINTL

Approved For Release 2004/03/31 : CIA-RDP59-00224A000200340001-6

Approved For Release 2004/03/31 : CIA-RDP59-00224A000200340001-6

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| NOTICE OF PENDING LEGISLATION | | DATE 23 March 1956 |
| | | LEGISLATIVE BILL NO. S. 3481 |
| SECTION I | | |
| STATINTL | Per/ [] | GENERAL |
| STATINTL | FROM: LEGISLATIVE COUNSEL | |
| DD/S | OFFICE OF GENERAL COUNSEL | |
| IG | Comptroller [] | |
| DD/P | DD/I | |

THE ATTACHED BILL, WHICH HAS BEEN INTRODUCED INTO CONGRESS, IS:

SENT TO YOU FOR INFORMATION ONLY.

A BILL ON WHICH FAVORABLE CONGRESSIONAL ACTION IS IS NOT PREDICTED.

~~XXX~~ SENT FOR YOUR COMMENT AS TO WHETHER IT IS OF INTEREST TO CIA ACTIVITIES, AND WHETHER FURTHER ACTION BY THIS OFFICE IS NECESSARY OR DESIRED.

STATINTL

[IT IS REQUESTED THAT COMMENTS CONCERNING THIS LEGISLATION BE FORWARDED, THROUGH APPROPRIATE CHANNELS, TO THIS OFFICE]

SECTION II

COMMENTS (F)

TO : LEGISLATIVE COUNSEL
OFFICE OF GENERAL COUNSEL

CHIEF, MEDICAL STAFF

The fate of the medical provisions of this Bill is of interest to this Agency since we have adopted the same for our proposed legislation.

STATINTL

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| DATE OF COMMENTS 17 April 1956 | SIGNATURE AND TITLE Chief, Medical Staff |
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FORM NO. 488 REPLACES FORM 23-3
1 FEB 55 WHICH MAY BE USED.

DATE

23 March 1956

LEGISLATIVE BILL NO.

S. 3481

NOTICE OF PENDING LEGISLATION

SECTION I

GENERAL

To : OGC / Pers / [REDACTED] From: LEGISLATIVE COUNSEL
 DD/S Comptroller [REDACTED] OFFICE OF GENERAL COUNSEL
 IG DD/P [REDACTED]

THE ATTACHED BILL, WHICH HAS BEEN INTRODUCED INTO CONGRESS, IS:

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A BILL ON WHICH FAVORABLE CONGRESSIONAL ACTION IS IS NOT PREDICTED.

SENT FOR YOUR COMMENT AS TO WHETHER IT IS OF INTEREST TO CIA ACTIVITIES, AND WHETHER FURTHER ACTION BY THIS OFFICE IS NECESSARY OR DESIRED.

[IT IS REQUESTED THAT COMMENTS CONCERNING THIS LEGISLATION BE FORWARDED, THROUGH APPROPRIATE CHANNELS, TO THIS OFFICE, BY]

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SECTION II

COMMENTS (From Original Addressee)

To : LEGISLATIVE COUNSEL FROM:
 OFFICE OF GENERAL COUNSEL Office of General Counsel

We are making no formal comments inasmuch as this bill has been thoroughly discussed and dissected in our conversations with Budget and State.

STATINTL

DATE OF COMMENTS

5 Apr Approved For Release 2004/03/31 : CIA-RDP59-00224A000200340001-6

DATE

23 March 1956

LEGISLATIVE BILL NO.

S. 3481

NOTICE OF PENDING LEGISLATION

SECTION I

GENERAL

TO : CCC [REDACTED] Pers [REDACTED]
 TL DD/S Comptroller [REDACTED] FROM: LEGISLATIVE COUNSEL
 TO DD/P [REDACTED] OFFICE OF GENERAL COUNSEL

THE ATTACHED BILL, WHICH HAS BEEN INTRODUCED INTO CONGRESS, IS:

 SENT TO YOU FOR INFORMATION ONLY. A BILL ON WHICH FAVORABLE CONGRESSIONAL ACTION IS IS NOT PREDICTED. SENT FOR YOUR COMMENT AS TO WHETHER IT IS OF INTEREST TO CIA ACTIVITIES, AND WHETHER FURTHER ACTION BY THIS OFFICE IS NECESSARY OR DESIRED.

[IT IS REQUESTED THAT COMMENTS CONCERNING THIS LEGISLATION BE FORWARDED, THROUGH APPROPRIATE CHANNELS, TO THIS OFFICE, BY]

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SECTION II

COMMENTS (From Original Addressee)

TO : LEGISLATIVE COUNSEL FROM:
 OFFICE OF GENERAL COUNSEL Comptroller

STATINTL

The new salary schedule included in this legislation should be of interest to the DD/S and the Director of Personnel in considering the salary range for certain positions within the Agency.

The Bill as a whole will be of great interest to those handling proposed CIA legislation.

STATINTL

DATE OF COMMENTS

28 March 1956

SIGNATURE AND TITLE

M. R. BAUDREAU, Comptroller

EXTENSION

16 January 1956

16 January 1956

MEMORANDUM FOR: Legislative Counsel
SUBJECT : Proposed Foreign Service Legislation

1. In an effort to determine any possible amendments to the Foreign Service Act, I called Mr. Edward Iyerly of the Legal Advisor's Office, Department of State. Mr. Iyerly is charged with the technical aspects of Foreign Service legislation and works very closely with Mr. Loy Henderson.
2. I was advised that the Department is presently putting the finishing touches on a bill which will be forwarded to the Bureau of the Budget on or about 13 January. The items in this bill are as follows:
 - a. Appropriate salary increases for career ministers and ambassadors.
 - b. Increase in the number of Foreign Service officer classes from 6 to 8.
 - c. Liberalization of the lateral entry provisions of Section 518 of the Foreign Service Act.
 - d. Increase from 30 to 35 years for the maximum number of years of service permissible in computing retirement annuities.
 - e. Amendment to Section 911 which pertains to travel and related expenses to permit payment of such expenses on a commuted basis. (Note: This apparently was part of an over-all bill passed by the Senate at the last session S.2569.)
 - f. Authorization to expend funds for establishment of commissaries.
 - g. Authorization to hire physicians and construct small emergency hospital facilities.

h. Authorization to expend Government funds for recreational facilities.

i. Authorization for the use of Government-owned cars for employees abroad for recreational purposes.

j. Liberalization of the provisions relating to conversion of Departmental Personnel to Foreign Service.

k. Amendments to Sections 941 and 942 to permit payment of medical expenses to dependents of employees. In this amendment the present proposal is to delete the phrase "line of duty" and to use words similar to "as a consequence of an assignment abroad". Mr. Lyerly further advised that this item had been discussed in the last session of Congress with both Senators Sparkman and Mansfield who favored such a provision.

3. Concerning the Overseas Allowances Act, Mr. Lyerly advised that it was the Department's policy that if the specific provisions in such bill were as broad as existing provisions of the Foreign Service Act, there would be no objection on their part to including the Foreign Service in the bill and repeal of the specific similar provisions in the Foreign Service Act. It appeared the Department was concerned, as we have been, over the timing aspects of the Overseas Allowances Act and their proposed amendments. However, Mr. Lyerly advised that it was Mr. Henderson's view as well as that of the Board of the Foreign Service that these items were desirable and necessary and that they would request the Bureau of the Budget and the Congress for such authority in the hope of securing legislation without attempting to depend on or wait for the passage of the Overseas Allowances Act.

4. Mr. Lyerly was requested to forward a final draft of their bill as it is presented to the Bureau of the Budget. Copies will be made available to interested offices of CIA when received.

5. In view of the fact that basic CIA legislation is substantially lifted from the Foreign Service Act and in some cases verbatim, we would do well to consider our approach to the Bureau of the Budget and the Congress on our proposed legislation. The desirability is suggested

of a meeting between representatives of this Agency (General Cabell or Colonel White) to review with Mr. Henderson our proposals and to see if any gain can be realized by combining forces to present our respective viewpoints to the Bureau of the Budget or the Congress.

STATINTL

[Redacted]
Deputy General Counsel

cc: Deputy Director (Support)
Director of Personnel

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON 25, D. C.

Executive Registry
11-3157

JUL 26 1955

My dear Mr. Dulles:

Pursuant to provisions of Budget Circular A-19, and the delegation of authority from the President referred to therein, the Bureau of the Budget has received a communication regarding the following legislative proposal:

From the Secretary of State a proposed bill to amend Section 921 of the Foreign Service Act of 1946 relating to commissary and mess services.

Your views on existence of this problem in Territories and possessions as well as in foreign areas are desired.

Before advising the submitting agency of the relationship of the proposal to the program of the President, the Director of the Bureau of the Budget would appreciate receiving an expression of your views with respect thereto.

It would be appreciated if your reply could be received by September 15, 1955.

If it is desired to confer on this matter, please communicate with Rolland D. Severy, Bureau of the Budget, 17th and Pennsylvania Avenue, N.W., telephone Code 189, Branch 526.

In addition to your agency, requests for views have been transmitted to the following agencies:

Departments of Treasury, Defense, Interior, Agriculture, Commerce, Labor, and Health, Education and Welfare; and Panama Canal Company, Canal Zone Government, Civil Service Commission, U. S. Information Agency, Veterans Administration, and General Accounting Office.

Honorable Allen W. Dulles
Director, Central Intelligence Agency
Washington 25, D. C.

Attention: Mr. Walter L. Pforzheimer
302 South Building
2420 E Street N. W.

Sincerely yours,

Roger W. Jones
Roger W. Jones
Assistant Director,
Legislative Reference

Enclosures-2

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Approved For Release 2004/03/31 : CIA-RDP59-00224A000200340001-6

Approved For Release 2004/03/31 : CIA-RDP59-00224A000200340001-6

SECRET

Office Memorandum • UNITED STATES GOVERNMENT

TO : General Counsel
ATTN : Mr. Walter Pforzheimer
FROM : Comptroller

DATE: 12 SEP 1955

SUBJECT: Proposed Amendment to the Foreign Service Act of 1946

REFERENCE: Your Memorandum Dated 26 August 1955 Addressed to AD/00, Comptroller and SSA/DD/S Subject as Above

1. The following are our comments on the proposed amendment to the Foreign Service Act of 1946.
 - a. The proposed amendment limits the authority of the Secretary to authorize and assist in the establishment of service facilities operated by employees of the Service to commissary and mess services. This limitation appears to be too restrictive and we are of the opinion that the amendment should be expanded to authorize the Secretary to assist employees of the Service in the establishment of other non-government personnel service facilities when such facilities are operated by the employees.
 - b. There is no provision in the proposed amendment for the disposition of profits earned by commissary or mess services which are operated by employees. We are of the opinion that the amendment should provide that all profits of facilities operated by employees shall be the property of its members. This change appears desirable in view of the possibility that, in the absence of such a provision, such profits may be considered to be quasi-governmental funds which must be returned to the United States Treasury as miscellaneous receipts.
 - c. The proposed amendment should provide authority for the establishment and operation of a revolving fund. This fund to be established by contributions from profits of employee operated facilities and to be available for financing the establishment or expansion of employee operated facilities when authorized by the Secretary.
 - d. The proposed amendment should be expanded to provide that space, equipment and services made available to employee operated facilities will be charged to the facilities on the basis of the increased cost to the government resulting from furnishing such items to these facilities.

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2. The following are our views regarding the desirability of having similar legislative authority for CIA.
 - a. The Office of the General Counsel in a memorandum to the Deputy Comptroller dated 20 June 1955 states that the administration and operation of station messes and other service facilities can be justified legally only when such expenditures are necessary because of the peculiar functions of CIA.
 - b. In the absence of additional legislation CIA does not have authority to authorize and assist in the establishment of many types of personnel service and other facilities which would be operated by employees and which appear to be desirable for improved employee relationship.
 - c. Legislative authority to operate mess and commissary facilities and to authorize and assist in the establishment of messes, commissaries and other personnel service facilities which will be operated by Agency personnel would in our opinion be beneficial to this Agency. In time the establishment and operation of service facilities with private funds would tend to reduce CIA's cost of operation and would greatly improve the morale of employees on overseas tours of duty.



E. R. SAUNDERS

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UNCLASSIFIED

Approved For Release 2004/03/31 : CIA-RDP59-00224A000200340001-6

SECRET

ROUTING AND RECORD SHEET

INSTRUCTIONS: Officer designations should be used in the "TO" column. Under each comment a line should be drawn across sheet and each comment numbered to correspond with the number in the "TO" column. Each officer should initial (check mark insufficient) before further routing. This Routing and Record Sheet should be returned to Registry.

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| Technical Accounting Staff Office of the Comptroller | | |
| | | DATE |

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| TO | ROOM NO. | DATE | | OFFICER'S INITIALS | TELEPHONE | COMMENTS |
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| 1. Deputy Comptroller | 1041 Alcott | | 9/8/47 | | | |
| 2. Comptroller | 1039 Alcott | | 1/5/47 | | | |
| 3. General Counsel | 221 East | | | | | |
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Approved For Release 2004/03/31 : CIA-RDP59-00224A000200340001-6

FORM 51-10

PREVIOUS EDITIONS
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Approved For Release 2004/03/31 : CIA-RDP59-00224A000200340001-6

Approved For Release 2004/03/31 : CIA-RDP59-00224A000200340001-6

SECRET

General Counsel

ATTN : Mr. Walter Pforzheimer
Comptroller

Proposed Amendment to the Foreign Service Act of 1946

REFERENCE: Your Memorandum Dated 26 August 1955 Addressed to AD/00, Comptroller and SSA/DD/S Subject as Above

1. The following are our comments on the proposed amendment to the Foreign Service Act of 1946.

- a. The proposed amendment limits the authority of the Secretary to authorize and assist in the establishment of service facilities operated by employees of the Service to commissary and mess services. This limitation appears to be too restrictive and we are of the opinion that the amendment should be expanded to authorize the Secretary to assist employees of the Service in the establishment of other non-government personnel service facilities when such facilities are operated by the employees.
- b. There is no provision in the proposed amendment for the disposition of profits earned by commissary or mess services which are operated by employees. We are of the opinion that the amendment should provide that all profits of facilities operated by employees shall be the property of its members. This change appears desirable in view of the possibility that, in the absence of such a provision, such profits may be considered to be quasi-governmental funds which must be returned to the United States Treasury as miscellaneous receipts.
- c. The proposed amendment should provide authority for the establishment and operation of a revolving fund. This fund to be established by contributions from profits of employee operated facilities and to be available for financing the establishment or expansion of employee operated facilities when authorized by the Secretary.
- d. The proposed amendment should be expanded to provide that space, equipment and services made available to employee operated facilities will be charged to the facilities on the basis of the increased cost to the government resulting from furnishing such items to these facilities.

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2. The following are our views regarding the desirability of having similar legislative authority for CIA.
 - a. The Office of the General Counsel in a memorandum to the Deputy Comptroller dated 20 June 1955 states that the administration and operation of station messes and other service facilities can be justified legally only when such expenditures are necessary because of the peculiar functions of CIA.
 - b. In the absence of additional legislation CIA does not have authority to authorize and assist in the establishment of many types of personnel service and other facilities which would be operated by employees and which appear to be desirable for improved employee relationship.
 - c. Legislative authority to operate mess and commissary facilities and to authorize and assist in the establishment of messes, commissaries and other personnel service facilities which will be operated by Agency personnel would in our opinion be beneficial to this Agency. In time the establishment and operation of service facilities with private funds would tend to reduce CIA's cost of operation and would greatly improve the morale of employees on overseas tours of duty.

E. H. SAUNDERS

SECRET

07201-5870

26 August 1955

Memorandum for: AD/CO
Comptroller
SSA/DD/S

Subject: Proposed amendment to the
Foreign Service Act of 1946

1. The Bureau of the Budget has forwarded to this Agency for comment a proposed amendment to the Foreign Service Act of 1946 relating to commissary and mess services abroad.

2. This office must forward its comments to the Bureau of the Budget before 15 September, and, therefore, it would be appreciated if you would forward to us your views with respect to the proposed amendment before 10 September.

3. In the event that you wish to confer on this bill, please communicate with [redacted] on extension [redacted]

STATINTL

STATINTL

[redacted]
Walter L. Morzheinoy
Legislative Counsel

Attachments

C-201-5870a1

DEPARTMENT OF STATE

WASHINGTON

Dear Mr. Vice President:

There is transmitted herewith a draft of a proposed bill, "To amend Section 921 of the Foreign Service Act of August 13, 1946 (22 U.S.C. 1139) relating to commissary or mess services", which it is recommended that the Congress enact.

Funds have not been requested for Government operated commissary or mess services since the fiscal year 1951. In order to meet their needs for commissary or mess services, employees of the Foreign Service have established a number of cooperative, non-Government operated commissary or mess services financed by personal contributions. While this arrangement is very helpful to the employees of the Service, notwithstanding the fact that some of them have difficulty in participating therein because of necessary capital outlays, the Government also benefits considerably therefrom because of reduced post allowance payments and better employee relations.

In recent correspondence the General Accounting Office inquired about the authority for our employees to operate the non-Government commissary and allied services in the Paris Embassy, and raised a question whether funds accumulated through such operations are at least quasi-Government and whether they should be covered into the Treasury as Miscellaneous Receipts. In a decision dated March 3, 1953 (A-44014) the Comptroller General expressed the desirability of obtaining additional legislation to enable the Department to sanction officially non-Government operated commissary and allied services.

General Regulations No. 121 issued by the Comptroller General under date of January 21, 1955, instructs departments and agencies of the Government with respect to their responsibilities concerning the

use of

The Honorable
Richard M. Nixon,
President of the Senate

C O P Y

- 2 -

use of Government facilities by employees and the action to be taken in collecting for any unofficial use of such facilities. This regulation will make it extremely difficult for non-Government operated commissary or mess services to operate in the absence of the legislation proposed.

If enacted, the amendment would authorize the establishment and operation of non-Government operated commissary or mess facilities and enable the Department to assist them to obtain necessary space, including warehouse or storage space, utilities, material, supplies, equipment or services. It is contemplated that the regulations governing such operations would require reimbursement consistent with the various situations encountered.

In order to equalize commissary and mess charges to employees of all agencies serving abroad, because their post allowances are equal, the amendment would provide that charges abroad by a commissary or mess service of any Government agency shall be at the same rate for all civilian personnel of the Government serviced thereby, and that all charges for supplies furnished to such a service abroad by any Government agency shall be at the same rate as that charged civilian commissary or mess services of the furnishing agency.

It is not contemplated that the cost of operating the Foreign Service will be increased by the enactment of this bill. On the other hand, if the bill is not enacted, and existing commissary and mess services should be discontinued, the cost of operating the service will be increased considerably by reason of increased post allowance payments.

The authority for the establishment and maintenance of Government operated commissary and mess services is retained so that it may be used in the event of future necessity.

It is respectfully requested that you lay the proposed bill before the Senate. A similar bill is being transmitted to the Speaker of the House of Representatives.

Enclosure:

A proposed bill.

C O P Y

A BILL

To amend Section 921 of the Foreign Service Act of August 13, 1946 (22 U.S.C. 1139) relating to commissary or mess services.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 921 of the Foreign Service Act of 1946 (22 U.S.C. 1139) is amended to read as follows:

"Section 921. The Secretary may, under such regulations as he may prescribe (a) establish and maintain Government operated commissary or mess services, or (b) authorize and assist in the establishment, maintenance, and operation, by employees of the Service, of commissary or mess services, at posts abroad, to be available to the officers and employees of all Government agencies and their dependents; space, facilities, material, stocks, supplies, equipment or services, may be made available. Notwithstanding the provisions of any other law, charges abroad by a commissary or mess service of any Government agency shall be at the same rate for all civilian personnel of the Government serviced thereby, and all charges for supplies furnished to such a service abroad by any Government agency shall be at the same rate as that charged by the furnishing agency to its civilian commissary or mess services. Reimbursements to appropriations are authorized."

C O P Y

Next 8 Page(s) In Document Exempt

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| NOTICE OF PENDING LEGISLATION | | DATE 23 March 1956 |
| | | LEGISLATIVE BILL NO. S. 3481 |
| SECTION I GENERAL | | |
| TO : OGC [REDACTED] Per [REDACTED] STATINTL DD/S Comptroller [REDACTED] FROM: LEGISLATIVE COUNSEL STATINTL IG DD/P DD/I OFFICE OF GENERAL COUNSEL | | |
| THE ATTACHED BILL, WHICH HAS BEEN INTRODUCED INTO CONGRESS, IS: | | |
| <input type="checkbox"/> SENT TO YOU FOR INFORMATION ONLY. <input type="checkbox"/> A BILL ON WHICH FAVORABLE CONGRESSIONAL ACTION [REDACTED] IS [REDACTED] IS NOT PREDICTED. <input checked="" type="checkbox"/> XXX SENT FOR YOUR COMMENT AS TO WHETHER IT IS OF INTEREST TO CIA ACTIVITIES, AND WHETHER FURTHER ACTION BY THIS OFFICE IS NECESSARY OR DESIRED. <div style="border: 1px solid black; padding: 5px;"> <i>IT IS REQUESTED THAT COMMENTS CONCERNING THIS LEGISLATION BE FORWARDED, THROUGH APPROPRIATE CHANNELS, TO THIS OFFICE, BY</i> </div> | | |
| FOLD HERE | SECTION II COMMENTS (From Original Addressee) | |
| TO : LEGISLATIVE COUNSEL OFFICE OF GENERAL COUNSEL | | FROM: |
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| Approved For Release 2004/03/31 : CIA-RDP59-00224A000200340001-6 | | |

84TH CONGRESS
2^D SESSION

S. 3481

IN THE SENATE OF THE UNITED STATES

MARCH 19, 1956

Mr. GEORGE introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To amend the Foreign Service Act of 1946, as amended, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*

2 *tives of the United States of America in Congress assembled,*

3 That this Act may be cited as the "Foreign Service Act

4 Amendments of 1956".

5 SEC. 2. Section 411 of the Foreign Service Act of 1946,

6 as amended, is amended by striking out the second sentence

7 of that section and substituting in lieu thereof the following:

8 "The per annum salaries of chiefs of mission within each

9 class shall be as follows: Class 1, \$27,500 per annum; class

10 2, \$25,000; class 3, \$22,500; and class 4, \$20,000."

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1 SEC. 3. Section 412 of such Act is amended to read as
2 follows:

3 "SEC. 412. There shall be ten classes of Foreign Service
4 officers, including the classes of career ambassador and of
5 career minister. The per annum salary of a career ambassa-
6 dor shall be \$20,000. The per annum salary of a career
7 minister shall be \$17,500. The per annum salaries of
8 Foreign Service officers within each of the other classes
9 shall be as follows:

| | | | | | | | |
|-------------|----------|----------|----------|----------|----------|----------|----------|
| Class 1.... | \$14,600 | \$15,000 | \$15,400 | \$15,800 | \$16,200 | \$16,600 | \$17,000 |
| Class 2.... | 12,600 | 12,900 | 13,200 | 13,500 | 13,800 | 14,100 | 14,400 |
| Class 3.... | 10,600 | 10,900 | 11,200 | 11,500 | 11,800 | 12,100 | 12,400 |
| Class 4.... | 9,000 | 9,250 | 9,500 | 9,750 | 10,000 | 10,250 | 10,500 |
| Class 5.... | 7,400 | 7,650 | 7,900 | 8,150 | 8,400 | 8,650 | 8,900 |
| Class 6.... | 6,100 | 6,300 | 6,500 | 6,700 | 6,900 | 7,100 | 7,300 |
| Class 7.... | 5,100 | 5,250 | 5,400 | 5,550 | 5,700 | 5,850 | 6,000 |
| Class 8.... | 4,100 | 4,250 | 4,400 | 4,550 | 4,700 | 4,850 | 5,000 |
| | | | | | | | \$5,150 |
| | | | | | | | "300." |

10 SEC. 4. Section 414 (a) of such Act is amended by
11 striking out the word "six" and inserting the word "eight"
12 in lieu thereof; and by striking out the number "6" and
13 inserting in lieu thereof the number "8".

14 SEC. 5. Section 516 of such Act and the heading thereto
15 is amended by striking the words "class 6" wherever they
16 appear therein and inserting the words "class 8" in lieu
17 thereof.

18 SEC. 6. Section 517 of such Act and the heading there-
19 to is amended by striking the heading thereto and substi-
20 tuting in lieu thereof "Admission to classes 1 to 7, inclu-
21 sive"; by striking in the aforementioned section the number

1 "6" wherever it appears therein and inserting in lieu thereof
2 the number "8"; by striking out in the aforementioned section
3 the number "5" wherever it appears therein and inserting
4 in lieu thereof the number "7"; by striking out the word
5 "forty" and inserting in lieu thereof the words "one hun-
6 dred and sixty-five"; by deleting the period at the end of
7 the second sentence of the aforementioned section and in-
8 serting in lieu thereof the following: "as a Foreign Service
9 officer."; and by adding a new sentence at the end of the
10 second sentence of the aforementioned section which shall
11 read as follows: "Notwithstanding the above provisions of
12 this section, the limitation on the maximum number of ap-
13 pointments authorized herein shall not be applicable in the
14 case of any person appointed or assigned by the Secretary
15 of State as a Foreign Service Reserve officer and who there-
16 after has served in a position of responsibility in such ca-
17 pacity for the required period prior to appointment as a
18 Foreign Service officer."

19 SEC. 7. Section 634 (b) of such Act is amended by
20 striking the words "classes 4 or 5", and inserting in lieu
21 thereof the words "classes 4, 5, 6 or 7"; by striking the
22 words "class 4" and inserting in lieu thereof the words
23 "classes 4 or 5"; and by striking the words "class 5" and
24 inserting in lieu thereof the words "classes 6 and 7".

25 SEC. 8. Section 635 of such Act and the heading thereto

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1 and section 637 (a) of such Act are amended by striking
2 the number "6" wherever it appears therein and by insert-
3 ing in lieu thereof the number "8".

4 SEC. 9. (a) Section 821 (a) of such Act is amended
5 by striking the word "thirty" and inserting in lieu thereof
6 the word "thirty-five".

7 (b) Section 821 (b) of such Act is amended by strik-
8 ing the phrase "for the five years next preceding his re-
9 tirement" and inserting in lieu thereof "for his highest five
10 consecutive years of service".

11 SEC. 10. Section 871 of such Act is amended by striking
12 the word "thirty" and inserting in lieu thereof the word
13 "thirty-five".

14 SEC. 11. Section 921 of such Act is amended to read
15 as follows:

16 "SEC. 921. (a) The Secretary may, under such regula-
17 tions as he may prescribe, establish and maintain Govern-
18 ment-operated commissary and mess services at posts abroad,
19 and he may authorize and assist in the establishment, main-
20 tenance, and operation, by officers and employees of the
21 Service, of non-Government operated commissary and mess
22 services, including the furnishing of space, utilities, material,
23 stocks, supplies, equipment, or services. Reimbursement
24 shall be made for all space, utilities, material, stocks, sup-
25 plies, equipment, or services furnished to both types of fa-

1 cilities, and shall be deposited into miscellaneous receipts of
2 the Treasury. However, in the discretion of the Secretary,
3 space, utilities, or services, other than full time services, may
4 be furnished without reimbursement. Further, reimbursement
5 shall not be required whenever the Secretary shall
6 certify that substantial losses have been suffered by such
7 commissaries or mess services as a direct result of destructive
8 forces of nature, armed conflict, civil strife, or other causes
9 beyond the control of the officers and employees concerned.
10 Necessary sites, buildings, and equipment may be acquired,
11 and construction, alterations, and repairs may be provided,
12 for the purposes of this section, in accordance with the pro-
13 visions of the Foreign Buildings Act, 1926, as amended
14 (22 U. S. C. 292-300).

15 "(b) Commissary or mess services established pursuant
16 to this section shall be made available, insofar as practicable,
17 to officers and employees of other Government agencies and
18 their dependents who are stationed abroad. Such commis-
19 sary or mess services shall not be established in localities
20 where another United States agency operates similar facili-
21 ties unless the Secretary determines that such additional fa-
22 cilities are necessary. Notwithstanding the provisions of
23 title 10, United States Code, section 1253, or other law,
24 charges at any post abroad by a commissary or mess service

1 of any Government agency shall, insofar as practicable, be at
2 the same rate for all civilian personnel of the Government
3 serviced thereby, and all charges for supplies furnished to
4 such a service abroad by any Government agency shall be
5 at the same rate as that charged by the furnishing agency to
6 its civilian commissary or mess services. If space, utilities,
7 or services are provided on a nonreimbursable basis to any
8 non-Government operated facility established under the pro-
9 visions of this section, profits accruing to such facility over
10 and above prudent operating reserves, shall be deposited into
11 miscellaneous receipts. Periodic audit of non-Government
12 operated facilities shall be conducted in accordance with such
13 regulations as the Secretary shall prescribe."

14 SEC. 12. Section 941 of such Act is amended by striking
15 out "941." and inserting "941 (a)" in lieu thereof; and
16 by adding at the end thereof a new paragraph "(b)" which
17 shall read as follows:

18 "(b) In the event a dependent of a United States citizen
19 officer or employee of the Service who is stationed abroad,
20 incurs an illness or injury while located abroad, which requires
21 hospitalization and which is not the result of vicious habits,
22 intemperance, or misconduct, the Secretary may, in accord-
23 ance with such regulations as he may prescribe, pay for
24 that portion of the costs of treatment of each such illness
25 or injury at a suitable hospital or clinic that exceeds \$35.00

1 up to a maximum limitation of one hundred and twenty days
2 of hospitalization for each such illness or injury, except that
3 such maximum limitation shall not apply whenever the
4 Secretary, on the basis of professional medical advice, shall
5 determine that such illness or injury clearly is caused by
6 the fact that such dependent is or has been located abroad."

7 "SEC. 13. (a) Section 942 (a) of such Act is amended
8 to read as follows:

9 "SEC. 942. (a) In the event an officer or employee of
10 the Service who is a citizen of the United States or his
11 dependents incurs an illness or injury requiring hospitaliza-
12 tion, not the result of vicious habits, intemperance or miscon-
13 duct, while stationed abroad in a locality where there does
14 not exist a suitable hospital or clinic, the Secretary may, in
15 accordance with such regulations as he may prescribe, pay
16 the travel expenses of such person by whatever means he
17 shall deem appropriate and without regard to the Standard-
18 ized Government Travel Regulations and section 10 of
19 the Act of March 3, 1933, as amended (68 Stat. 808,
20 5 U. S. C. 73b), to the nearest locality where a suitable
21 hospital or clinic exists, and on his recovery pay for the
22 travel expenses of his return from such hospital or clinic.
23 If any such officer, employee, or dependent is too ill to travel
24 unattended, the Secretary may also pay the round-trip travel
25 expenses of an attendant or attendants."

1 (b) Section 942 (b) of such Act is amended by insert-
2 ing the words "a physician" and a comma immediately fol-
3 lowing the phrase "the services of"; and by inserting imme-
4 diately following the words "a nurse" a comma and the
5 phrase "or other medical personnel".

6 SEC. 14. A new section, "SEC. 951" is hereby added
7 to such Act, together with a heading as follows:

8 **"PART F—RECREATION FACILITIES**

9 "SEC. 951. Whenever the Secretary shall certify that
10 adequate recreation facilities are lacking at a post abroad and
11 that the establishment of such facilities is necessary in the
12 interests of morale and efficiency, he may, under such regu-
13 lations as he shall prescribe, establish, maintain, and operate
14 recreation facilities for use by officers and employees of the
15 Service and their dependents who are stationed at such posts.

16 Recreation facilities established pursuant to this section may
17 be made available to officers and employees of other agencies
18 of the Government and their dependents. The Secretary
19 shall make such charges for the use of such recreation facil-
20 ties as he deems fair and equitable. In no event shall these
21 charges exceed the estimated cost to the Government of such
22 recreation facilities. Any fees so collected shall be deposited
23 into miscellaneous receipts of the Treasury. Necessary sites,
24 buildings, and equipment may be acquired, and construction,
25 alterations, and repairs may be provided, for the purposes of

1 this section, in accordance with the provisions of the Foreign
2 Buildings Act, 1926, as amended (22 U. S. C. 292-300).
3 Notwithstanding the provisions of section 16a of the Act of
4 August 2, 1946 (5 U. S. C. 78 (a)), the Secretary may
5 authorize any principal officer to approve the use of Gov-
6 ernment-owned vehicles located at his post for transportation
7 of United States Government employees who are American
8 citizens, and their dependents, to and from recreation facilities
9 when public transportation is unsafe or is not available."

10 SEC. 15. (a) Foreign Service officers presently serving
11 in the class of career minister shall receive the salary pre-
12 scribed for career ministers by section 412 of such Act, as
13 amended.

14 (b) Foreign Service officers and Reserve officers in the
15 other classes shall be transferred to the new classes estab-
16 lished by section 412 of such Act, as amended, as follows:
17 Officers of class 1 to the new class 1; officers of class 2 to
18 the new class 2; officers of class 3 to the new class 3; officers
19 of class 4 to the new classes 4 or 5 as determined by the
20 Secretary, in accordance with the second sentence of this
21 subsection; officers of class 5 to the new class 6; and officers
22 of class 6 to the new class 7. In accordance with such
23 regulations as the Secretary may prescribe there shall be
24 transferred to the new class 4 those officers of the present
25 class 4 who either are receiving the sixth through the eighth

1 step rates of the present class 4 or who were eligible and
2 were recommended for promotion by the selection board
3 next preceding the effective date of this Act. All remain-
4 ing officers in the present class 4 shall be transferred to the
5 new class 5.

6 (c) Each officer transferred pursuant to paragraph (b)
7 of this section shall, under such regulations as the Secretary
8 may prescribe, receive basic salary at that one of the rates
9 of the class to which he is transferred which shall, as nearly
10 as possible, correspond to the salary he is receiving at the
11 time of transfer, except that no officer shall suffer a reduction
12 in basic salary as a result thereof.

13 (d) Service in a former class shall be considered as
14 constituting service in the new class for the purposes of deter-
15 mining (1) eligibility for promotion, in accordance with the
16 provisions of section 622, and (2) liability for separation,
17 in accordance with the provisions of section 633. Officers
18 who are transferred to new class 7 in accordance with para-
19 graph (b) of this section shall continue to occupy proba-
20 tionary status pursuant to section 635.

21 (e) Officers transferred in accordance with the provi-
22 sions of this section shall receive credit for time served in
23 a previous class toward class promotion in accordance with
24 section 625.

25 (f) The class and salary adjustments made pursuant to
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1 paragraphs (a), (b), and (c) of this section shall be made
2 effective as of the first day of the first pay period which
3 begins after the date of enactment of this Act or on the
4 first day of the first pay period which begins after July 1,
5 1956, whichever shall be later.

6 SEC. 16. Notwithstanding the provisions of this Act,
7 existing rules, regulations or applicable to the Foreign
8 Service of the United States shall remain in effect until
9 revoked or rescinded or until modified or superseded by regu-
10 lations made in accordance with the provisions of this Act,
11 unless clearly inconsistent with the provisions of this Act.

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84TH CONGRESS
2D SESSION

S. 3481

A BILL

To amend the Foreign Service Act of 1946, as
amended, and for other purposes.

By Mr. GEORGE

MARCH 19, 1956

Read twice and referred to the Committee on
Foreign Relations

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